



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEB - 6 2014

William J. McGinley
Patton Boggs LLP
2550 M Street, N.W.
Washington, D.C. 20037

RE: MUR 6763 (Maine Republican Party and
Ben Lombard in his official capacity
as treasurer)

Dear Mr. McGinley:

On February 6, 2014, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of violations of 2 U.S.C. §§ 434(b) and 434(g), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1548.

Sincerely,

A handwritten signature in black ink that reads "Elena Paoli". The signature is fluid and cursive.

Elena Paoli
Attorney

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Maine Republican Party
and Ben Lombard in his official capacity as treasurer

MUR 6763

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Maine Republican Party and Ben Lombard in his official capacity as treasurer ("Respondents") violated 2 U.S.C. § 434(b) and 434(g), provisions of the Federal Election Campaign Act of 1971, as amended, ("the Act") and 11 C.F.R. § 104.4(a) and (c), provisions of the Commission's regulations.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).
- II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondents enter voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:
 1. Maine Republican Party is a political committee within the meaning of 2 U.S.C. § 431(4), and is not the authorized committee of any candidate.

2. Ben Lombard is the treasurer of Maine Republican Party. Ben Lombard was not Treasurer of the Maine Republican Party, or a participant in the Committee's compliance programs, during the 2008 election cycle and, therefore, was not involved with the transactions referenced in this document.

3. The Act requires treasurers to file reports disclosing the total amount of disbursements for the reporting period and for the calendar year. See 2 U.S.C. § 434(b)(4).

4. The Act defines "independent expenditure" as an expenditure by a person expressly advocating the election or defeat of a clearly identified federal candidate that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate's authorized political committee, or their agents, or a political party committee or its agents. 2 U.S.C. § 431(17). See also 11 C.F.R. § 100.22.

5. Every political committee that makes independent expenditures must report those expenditures in its regularly scheduled disclosure reports in accordance with 11 C.F.R. § 104.3(b)(3)(vii). 11 C.F.R. § 104.4(a). Such a political committee must disclose on Schedule E the name of a person who receives any disbursement during the reporting period in an aggregate amount or value in excess of \$200 within the calendar year in connection with an independent expenditure by the reporting committee. The report also must disclose the date, amount, and purpose of any such independent expenditure and include a statement that indicates whether such independent expenditure is in support of or in opposition to a candidate, as well as the name and office sought by such candidate. 2 U.S.C. § 434(b)(6)(B)(iii); 11 C.F.R. §§ 104.3(b)(3)(vii), 104.4(a).

6. A political committee that makes or contracts to make independent expenditures aggregating \$1,000 or more in connection with a given election after the 20th day

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but more than 24 hours before the date of an election must also file a report describing the expenditures within 24 hours. 2 U.S.C. § 434(g)(1)(A); 11 C.F.R. § 104.4(c). These reports, known as 24-hour notices, must be filed "on the day following the date on which a communication that constitutes an independent expenditure is publicly distributed or otherwise publicly disseminated." 11 C.F.R. § 104.4(c). A political committee must file additional reports within 24 hours after each time it makes or contracts to make independent expenditures aggregating an additional \$1,000. 2 U.S.C. § 434(g)(1)(B); 11 C.F.R. § 104.4(c).

7. During a Commission Audit, the Commission found that in 2007 the Committee understated disbursements by \$29,346. This figure is the net of unreported disbursements (\$36,506); reported disbursements not supported by check or debit (\$4,006); a disbursement from the non-federal account erroneously reported (\$3,165); erroneous reporting of disbursement amounts (\$227); and an unexplained difference (\$216).

8. The Commission also found that the Committee improperly reported \$56,601 in independent expenditures as operating expenditures rather than disclosing them on Schedule E and in 24-hour notices. The independent expenditures were made in connection with 250,000 absentee ballot mailers that included photos of federal candidates John McCain, Sarah Palin, Susan Collins, and Charlie Summers with their names next to a checked box directly beneath the photos. In its original 2008 October Quarterly Report, the Committee reported the total cost of the mailers, \$84,902, as an operating expenditure on Schedule B. Based on the amount of space devoted to the federal candidates, the Commission determined that \$56,601 of the cost should have been reported as independent expenditures.

9. The Committee partially amended its disclosure reports in response to the Interim Audit Report and completed its amendments in response to the draft Final Audit Report;

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the Committee's disclosure reports now properly disclose the \$56,601 federal portion of the mailers as independent expenditures.

10. Respondents did not comply with the Act's reporting requirements when they understated disbursements by \$29,346 in 2007.

11. Respondents did not comply with the Act's reporting requirements when they failed to properly file notice of \$56,601 in independent expenditures on Schedule E of their 2008 October Quarterly Report and on appropriate 24-hour notices.

V. Respondents violated 2 U.S.C. § 434(b) and (g) and 11 C.F.R. § 104.4(a) and (c).

VI. 1. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Five Thousand Dollars (\$5,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

2. Respondents will cease and desist from violating 2 U.S.C. § 434(b) and 434(g) and 11 C.F.R. § 104.4(a) and (c).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.


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Conciliation Agreement

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party that is not contained in this written agreement shall be enforceable.

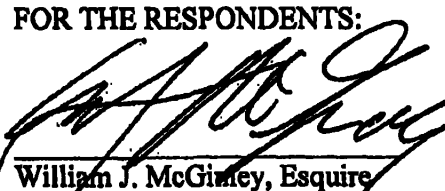
FOR THE COMMISSION:

BY:


Daniel A. Petalas
Associate General Counsel
for Enforcement

2/7/14
Date

FOR THE RESPONDENTS:


William J. McGinley, Esquire
Representing the Maine Republican Party
and Ben Lombard, as Treasurer

1/25/2014
Date

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